

MINUTES
TOWN OF MILLIKEN
TOWN BOARD OF TRUSTEES
Milliken Community Complex
August 9, 2006
7:00 p.m.

Board Trustees present: Mayor Linda Measner, Mayor Pro Tem Janie Lichtfuss, Gary Frank, Milt Tokunaga, Ted Chavez, Julie Cozad and Peggy Wakeman.

Staff present: Town Attorney Bruce Fickel, Police Chief and Co-Interim Administrator Jim Burack, Public Works Director and Co-Interim Administrator Mike Woodruff, Town Clerk Kari Redman-Gutierrez, Finance Director Diana Vasquez, Town Engineer Larry Ketcham and press from the Johnstown Breeze.

REGULAR MEETING

Mayor Measner called the regular meeting to order at 7:05 p.m.

PLEDGE OF ALLEGIANCE

Mayor Measner led the audience in the Pledge of Allegiance.

Audiences with Individuals

Dr. Duane Flack commented that the Board does not often get a thank you so he wanted to tell the Board "Thank You" for all the hard work and for a job well done.

Reports from Board Members Regarding Attendance at Other Meetings

Trustee Cozad reported that the MPO meeting was last Thursday, August 3, 2006 at Berthoud. The 2035 transportation plan was discussed with the acknowledgement that there is a lack of money for many projects.

Trustee Cozad also reported that Mayor Pro Tem Lichtfuss and she attended the North Front Range summit meeting. Trustee Cozad stated that the transportation legislation requires a four-year MPO cycle for updating the Regional Transportation Plan. The MPO prepares a Socio-Economic Forecast for the target year, 2035 is this update's planning horizon. The report, "Economic and Demographic Forecast for the North Front range Modeling Area and its Sub-regions", has just been completed and is available for reading at the website of at www.nfr.summit.org. Trustee Cozad handed out the North Front Range Socio-Economic Forecasting dated August 2006

Trustee Wakeman reported that she had attended the Milliken Business Meeting on August 8th which included a discussion about connecting more with the Town. She also

stated that the Milliken Business Association appreciated the support of the Board for the Milliken Madness Day.

Trustee Wakeman said she had abstained from voting at the previous meeting regarding the Noble Energy wells because she was concerned about a possible conflict due to an interest she held in a property at the Pumpkin Farm off WCR 52. She has since learned that the well in question is not on the property.

A discussion concerning the composition of Minutes of the Board Meeting followed. Trustee Cozad said she prefers detailed minutes reflecting discussion and commentary, while Mayor Pro Tem Lichtfuss cited Robert's Rules of Order which generally direct that minutes include actions take such as motions and resolutions.

Trustee Wakeman moved to approve the Consent Agenda of the Final List of Bills for August 9, 2006, Minutes for July 26, 2006 as amended, and the Milliken Housing Authority Enterprise Fund #62. Trustee Cozad seconded the motion.

Vote: All in favor, none opposed. Motion carried.

Public Hearing

Gray O 26-3, 26-5, 26-19 Wells Use by Special Review and Stroh O 2-17 Well Use by Special Review Continued

Town Engineer Ketcham introduced, Noble Energy attorney Susan Aldridge of Beatty & Wozniak, 216 16th Street, #1100, Denver, CO. Attorney Aldridge discussed the concerns the Board voiced at the previous meeting regarding the gaseous emissions of the wells with respect to compatibility with the neighborhoods. Attorney Aldridge introduced Curtis Rueter who described the new, stricter rules that were adopted and are controlled by the Colorado Department of Public Health and Environment (CDPHE) regarding gaseous emissions from the wells and stressed that Noble Energy is in full compliance with the rules. Trustee Frank inquired if the County has rules. Curtis Rueter responded that the County does not have separate rules. Trustee Cozad said the County has more controls. Carl Richard, President of Key Business Ventures, Inc., representing Noble Energy responded that Weld County rules are stricter than others – some counties have controls where others do not. Trustee Tokunaga asked who decides what controls are required. Mr. Rueter responded that the County requires reduced accumulated emissions so that producers tend to place controls on the highest production wells which in turn reduces overall emissions the most. Trustee Cozad asked if cost is prohibitive in installing controls. Mr. Rueter stated it would depend on the type of controls, but can cost up to \$30,000.

Mr. Richard described the directional drilling. Mayor Pro Tem asked if only three sites in this area have directional drilling. Mr. Terry Bresnahan of Noble Energy responded that they could have additional in the future but now have only three.

Mr. Richard indicated that Noble Energy will put low profile tanks on these locations. Usually this results from a landowner request. That has not occurred in this case but Noble will go ahead and put in low profile tanks. Mr. Richard asked the Board to consider that when a lower profile tank is requested the result may be a larger profile horizontally, a larger footprint for the well which cuts into developer number of lot capacity, and potential increase in truck traffic to empty the smaller tank more frequently.

Trustee Cozad commented that tall tanks can be unattractive if they sit along a ridge line. Low profile tanks are easier to buffer from adjoining properties.

Attorney Aldridge addressed the \$400 fee issue. Noble Energy believes it is illegal and is being required to pay for police to monitor the wells. Attorney Aldridge read an email from Police Chief Burack who stated concerns regarding children around the wells and that it is an area for party goers. She continued with the statement that local governments are prohibited assessing fees. The Colorado Oil and Gas Commission is responsible for assessments. She concluded by saying that she and Town Attorney Fickel will settle the \$400 fee issue at a later date and that the Board does not have authority to stop the process of approving the applications.

Trustee Frank asked how the company sprayed for weeds near the wells and he stated that tall weeds prohibit farmers from seeing the well heads and that the weeds spread onto the cultivated fields. Mr. Bresnahan indicated that the herbicide Noble uses kills all the weeds around the wells as they spray from the exterior toe of berm to the tank batteries, but not typically at the well head.

Attorney Aldridge restated that the applications had been approved previously and again asked for approval for the wells.

No one from the public had any further comments.

Public Hearing was closed at 7:20 p.m..

At 7:25 p.m. Trustee Chavez moved to go into executive session according to C.R.S. 24-6-402(4) (b), to confer with an attorney for the Town for the purposes of receiving legal advice on specific legal questions. Trustee Cozad seconded the motion.

Mayor Linda Measner stated "The time is now 7:55 p.m., and the executive session has been concluded. The participants in the executive session were:

Mayor Linda Measner, Mayor ProTem Janie Lichtfuss, Trustees Gary Frank, Milt Tokunaga, Ted Chavez, and Julie Cozad, Town Attorney Bruce Fickel, Co-Interim Administrator, Police Chief Jim Burack, Co-Interim Administrator, Public Works Director, Mike Woodruff, Finance Director Diana Vasquez, Town Clerk Kari Redman-Gutierrez and Town Engineer Larry Ketcham.

Trustee Tokunaga moved to accept Resolutions 06-17, 18, and 19 for Gray Wells 0 26-3, 26-5, and 26-19 except for item number 1 which the Attorneys will address at a later date.

Trustee Frank seconded the Motion.

Discussion: Trustee Frank requested that the \$400 fee issue be resolved. Trustee Cozad said that she appreciated the comments regarding low profile tanks and was not going to push for the low profile tanks at this time but in the future would like low profile tanks especially on high ridges. Trustee Frank restated his concerns regarding the spraying for weeds.

Vote: All in favor, none opposed. Motion carried.

Trustee Cozad moved to approve Resolution 06-16, Stroh Well 02-17 with number one deleted regarding the \$400 fee. Trustee Wakeman seconded the motion.

Discussion: None

Vote: All in favor, none opposed. Motion carried.

Trustee Cozad moved to direct Staff and Noble Energy to put together a reasonable agreement regarding the \$400 fee issue by the first meeting in September. Trustee Tokunaga seconded the Motion.

Discussion: None

Vote: All in favor, none opposed. Motion carried.

At 8:25 p.m. Mayor Pro Tem Lichtfuss moved to go into an Executive Session to confer with an attorney for the Town for the purposes of receiving legal advice on specific legal questions regarding the Metro Districts.

Trustee Wakeman seconded the Motion.

Vote: All in favor, none opposed. Motion carried

Mayor Linda Measner stated "The time is now 9:09 p.m., and the executive session has been concluded. The participants in the executive session were:

Mayor Linda Measner, Mayor ProTem Janie Lichtfuss, Trustees Gary Frank, Milt Tokunaga, Ted Chavez, and Julie Cozad, Town Attorney Bruce Fickel, Co-Interim Administrator, Police Chief Jim Burack, Co-Interim Administrator, Public Works Director, Mike Woodruff, Finance Director Diana Vasquez, Town Clerk Kari Redman-Gutierrez and Town Engineer Larry Ketcham.

For the record, if any person who participated in the executive session believes that any substantial discussion of any matters not included in the motion to go into the executive session occurred during the executive session, or that any improper action occurred during the executive session in violation of the Open Meetings Law, I would ask that you state your concerns for the record.

Seeing none, we will continue the meeting.”

Trustee Wakeman moved to continue Item G, “Metro Districts Procedures, Questions and Answers” until the August 23, 2006 meeting. Trustee Frank seconded the Motion.

Discussion: Staff is to set up pre-meetings for informational purposes for people to get more familiar with the Metro District Procedures. Trustee Cozad indicated that she will be out of town August 16th until the 23rd. Attorney Fickel indicated that it may take several meetings of one to one and a half hour each.

Vote: All in favor, none opposed. Motion carried.

Agreement to Amend/Extend Contract with Broker for the Wulf Property Contract

Trustee Cozad moved to approve the amendment/extension of the Wulf Property and to authorize the Mayor to sign said papers. Mayor Pro Tem Lichtfuss seconded.

Discussion: None

Vote: All in favor, none opposed. Motion carried.

City of Greeley System Development Charge

Town Engineer Ketcham stated that there is bad news and good news. The bad news is that there is going to be a big bill coming due to the City of Greeley at the end of December. The good news is that the bill is not going to be \$4,000,000 but probably closer to \$600,000. Mr. Ketcham explained that due to a dry spring, Milliken residents started watering their lawns a month earlier than normal which resulted in an approximately 20% spike in yearly water usage. Staff predicts that with the reallocation of water supplies, the Town will owe the City of Greeley somewhere between \$500,000 and \$600,000 by the end of the year. Staff does not anticipate exceeding any supply levels on the other two water sources. System Development is effectively the mechanism by which the Town of Milliken buys capacity with the City of Greeley’s water system. System Development provides us a right to a certain capacity of water treatment with the City of Greeley – this becomes sort of a perpetual right, an investment in our current and future water needs. This is not entirely doom and gloom. Whatever payment is required at the end of December, the Town has the option of spreading the payment out in 12 monthly payments starting in January 2007. In terms of the budget, this has to be accounted for in the 2006 budget, thus there will need to be a budget amendment; the cash flow, however, is paid out in 2007.

Recommendations: Staff will continue to curtail usage of Greeley water. Staff will provide the Board a monthly update of water usage through the end of the year.

Trustee Tokunaga had questions regarding the capacity and the rates we get from Greeley, if Weld Central was cheaper, and how long can we use Greeley. Engineer Ketcham replied that the original contract was for 20 years and that we should make allowances for an increase in capacity.

Trustee Cozad asked if people use more water do we charge higher water rates, as she was under the impression that water rates don't pay the bills. Engineer Ketcham explained that the Town has a stepped or tiered water rate structure, where rates generally ramp up as usage increase. Attorney Fickel stated that Operations and Maintenance should be covered by water rates, and that a user who consumes more water needs to pay a premium on his usage, perhaps three times as much.

Engineer Ketcham will provide the budget revision at the next meeting.

Rename Green Street to Lilac Street

Town Engineer Ketcham presented a purpose and background report summarizing a request to rename Green Street to Lilac Street in the Colony Pointe Subdivision. In cooperation with the Milliken Fire Department and the US Post Office, Staff has been working to improve some address designations. It is recognized by all parties involved that there is confusion with the current alignment of "Green Street" in the Original Plat of Town west of Alice Avenue, and "Green Street" as platted in Colony Pointe. There is an offset or shift of nearly a 1/4th of a mile at Alice Avenue. The street currently designated as "Green Street" in Colony Pointe lines up approximately with "Lilac Street" as defined by the Frank Farms and Walmar Subdivisions. To date, one home has been built on "Green Street" in Colony Pointe requiring an address of "Green Street". The house is still in the hands of the builder so there is no one living in the house yet. It is possible for a few other homes to be built facing "Green Street" and therefore carry a "Green Street" address within Colony Pointe. The Town has an opportunity to improve the addressing system at this time.

Recommendation:

Staff recommends sending a letter to Weld County and all interested utilities, emergency services, adjacent residents, etc. stating a change in the street name, originally platted in Colony Pointe Subdivision as "Green Street" to "Lilac Street".

Trustee Tokunaga moved that Staff be directed to send a letter to Weld County and all interested utilities, emergency services, adjacent residents, etc. stating a change in the street name, originally platted in Colony Pointe Subdivision as "Green Street" to "Lilac Street". Trustee Frank seconded.

Discussion: None

Vote: All in favor, none opposed. Motion carried.

Trustee Wakeman inquired if the Staff had looked at the deadline of October for the IGA with the School District.

Adjournment

Mayor Pro Tem Lichtfuss moved to adjourn the meeting. Trustee Wakeman seconded the Motion. Meeting adjourned at 9:25 p.m.

Kari Redman-Gutierrez, Town Clerk

Approved by the Board of Trustees

Linda L. Measner, Mayor